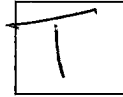


**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



W-02076A

TIERRA BUENA WATER COMPANY  
12540 WEST BETHANY HOME  
LITCHFIELD PARK, AZ 85340

**ANNUAL REPORT**

**FOR YEAR ENDING**

12	31	2006
----	----	------

FOR COMMISSION USE

ANN 04	06
--------	----

PROCESSED BY:

4-16-07 RF

SCANNED

## COMPANY INFORMATION

<b>Company Name (Business Name)</b> <u>TIERRA BUENA WATER COMPANY, INC.</u>		
Mailing Address <u>12540 WEST BETHANY HOME</u>		
<u>LITCHFIELD PARK</u> (City)	<u>AZ</u> (State)	<u>85340</u> (Zip)
<u>(602)935-1100</u> Telephone No. (Include Area Code)	<u>(602)935-7321</u> Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)
Email Address _____		
Local Office Mailing Address <u>SAME AS ABOVE</u>		
 (City)	 (State)	 (Zip)
 Local Office Telephone No. (Include Area Code)	 Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)
Email Address _____		

## MANAGEMENT INFORMATION

<b>Management Contact:</b> <u>VALLEY UTILITIES</u>		
 (Name)	 (Title)	
<u>12540 WEST BETHANY HOME</u> (Street)	<u>LITCHFIELD PARK</u> (City)	<u>AZ</u> (State)
<u>(602) 935-1100</u> Telephone No. (Include Area Code)	<u>(602) 935-7321</u> Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)
Email Address _____		
<b>On Site Manager:</b> <u>ROBERT L. PRINCE</u>		
 (Name)		
<u>SAME AS ABOVE</u> (Street)	 (City)	 (State)
 Telephone No. (Include Area Code)	 Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)
Email Address _____		

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

<b>Statutory Agent:</b> <u>RICHARD L SALLQUIST</u>			
(Name)			
<u>2525 EAST ARIZONA BILTMORE CIRCLE #117</u>	<u>PHOENIX</u>	<u>AZ</u>	<u>85016</u>
(Street)	(City)	(State)	(Zip)
<u>(602) 224-9222</u>			
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
<b>Attorney:</b> <u>SAME AS ABOVE</u>			
(Name)			
(Street)	(City)	(State)	(Zip)
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

### OWNERSHIP INFORMATION

Check the following box that applies to your company:	
<input type="checkbox"/> Sole Proprietor (S)	<input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op)
<input type="checkbox"/> Partnership (P)	<input type="checkbox"/> Subchapter S Corporation (Z)
<input type="checkbox"/> Bankruptcy (B)	<input type="checkbox"/> Association/Co-op (A)
<input type="checkbox"/> Receivership (R)	<input type="checkbox"/> Limited Liability Company
<input type="checkbox"/> Other (Describe) _____	

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:		
<input type="checkbox"/> APACHE	<input type="checkbox"/> COCHISE	<input type="checkbox"/> COCONINO
<input type="checkbox"/> GILA	<input type="checkbox"/> GRAHAM	<input type="checkbox"/> GREENLEE
<input type="checkbox"/> LA PAZ	<input checked="" type="checkbox"/> MARICOPA	<input type="checkbox"/> MOHAVE
<input type="checkbox"/> NAVAJO	<input type="checkbox"/> PIMA	<input type="checkbox"/> PINAL
<input type="checkbox"/> SANTA CRUZ	<input type="checkbox"/> YAVAPAI	<input type="checkbox"/> YUMA
<input type="checkbox"/> STATEWIDE		

<b>COMPANY NAME</b> <b>TIERRA BUENA WATER COMPANY, INC.</b>
--

**UTILITY PLANT IN SERVICE**

<b>Acct. No.</b>	<b>DESCRIPTION</b>	<b>Original Cost (OC)</b>	<b>Accumulated Depreciation (AD)</b>	<b>O.C.L.D. (OC less AD)</b>
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs	84,929	44,237	40,692
311	Pumping Equipment	34,082	29,255	4,827
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	157,369	68,583	88,786
331	Transmission and Distribution Mains	220,508	106,441	114,067
333	Services	4,405	939	3,466
334	Meters and Meter Installations	26,158	14,538	11,620
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	2,990	937	2,053
340	Office Furniture and Equipment	880	880	0
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	<b>531,321</b>	<b>265,810</b>	<b>265,511</b>

This amount goes on the Balance Sheet Acct. No. 108

**COMPANY NAME****TIERRA BUENA WATER COMPANY, INC.****CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

<b>Acct. No.</b>	<b>DESCRIPTION</b>	<b>Original Cost (1)</b>	<b>Depreciation Percentage (2)</b>	<b>Depreciation Expense (1x2)</b>
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs	84,929	5%	4,246
311	Pumping Equipment	34,082	5%	1,600
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	157,369	5%	7,728
331	Transmission and Distribution Mains	220,508	5%	11,025
333	Services	4,405	5%	220
334	Meters and Meter Installations	26,158	5%	1,308
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	2,990	5%	53
340	Office Furniture and Equipment	880	5%	0
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	<b>531,321</b>		<b>26,180</b>

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

# ULLMANN & COMPANY P.C.

Certified Public Accountants

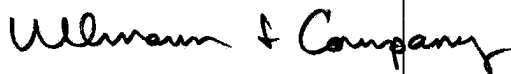
To the Board of Directors of  
Tierra Buena Water Company, Inc.  
Litchfield Park, Arizona

We have compiled the balance sheet of Tierra Buena Water Company, Inc. (a corporation) as of December 31, 2006 and 2005, and the comparative statement of income and expense for the years then ended included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting in the form prescribed by the Arizona Corporation Commission information that is the representation of management. We have not audited or reviewed the financial statements referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements are presented in accordance with the requirements of the Arizona Corporation Commission, which differ from generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such differences.

All other information contained in the accompanying prescribed form has not been audited, reviewed, or compiled by us and, accordingly, we assume no responsibility for that information.



ULLMANN & COMPANY, P.C.  
Certified Public Accountants

March 24, 2007

<b>COMPANY NAME</b> <b>TIERRA BUENA WATER COMPANY, INC.</b>
--

**BALANCE SHEET**

<b>Acct. No.</b>		<b>BALANCE AT BEGINNING OF YEAR</b>	<b>BALANCE AT END OF YEAR</b>
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 10,662	\$ 7,746
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	4,139	5,904
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments	0	720
174	Miscellaneous Current and Accrued Assets		
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	<b>\$ 14,801</b>	<b>\$ 14,370</b>
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 519,423	\$ 531,321
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation - Utility Plant	239,630	265,810
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	<b>TOTAL FIXED ASSETS</b>	<b>\$ 279,793</b>	<b>\$ 265,511</b>
	<b>TOTAL ASSETS</b>	<b>\$ 294,594</b>	<b>\$ 279,881</b>

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page.

<b>COMPANY NAME</b>
<b>TIERRA BUENA WATER COMPANY, INC.</b>

**BALANCE SHEET (CONTINUED)**

<b>Acct. No.</b>	<b>LIABILITIES</b>	<b>BALANCE AT BEGINNING OF YEAR</b>	<b>BALANCE AT END OF YEAR</b>
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$ 1,227	\$ 1,392
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes	1,197	408
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 2,424	\$ 1,800
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds		
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt		
252	Advances in Aid of Construction	398,656	393,426
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$ 398,656	\$ 393,426
	<b>TOTAL LIABILITIES</b>	\$ 401,080	\$ 395,226
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 50,000	\$ 50,000
211	Paid in Capital in Excess of Par Value	21,650	21,650
215	Retained Earnings	(178,136)	(186,995)
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$ (106,486)	\$ (115,345)
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 294,594	\$ 279,881



**COMPANY NAME****TIERRA BUENA WATER COMPANY, INC.****COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

<b>Acct. No.</b>	<b>OPERATING REVENUES</b>	<b>PRIOR YEAR</b>	<b>CURRENT YEAR</b>
461	Metered Water Revenue	\$ 96,010	\$ 91,518
460	Unmetered Water Revenue		
474	Other Water Revenues		
	<b>TOTAL REVENUES</b>	<b>\$ 96,010</b>	<b>\$ 91,518</b>
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages		
610	Purchased Water	868	885
615	Purchased Power	8,604	12,175
618	Chemicals		
620	Repairs and Maintenance	1,163	6,623
621	Office Supplies and Expense		
630	Outside Services	58,787	47,141
635	Water Testing	4,983	4,368
641	Rents	200	253
650	Transportation Expenses		
657	Insurance - General Liability	3,536	0
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	1,150	2,276
403	Depreciation Expense	25,840	26,180
408	Taxes Other Than Income		
408.11	Property Taxes	4,514	506
409	Income Tax	2	45
	<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 109,647</b>	<b>\$ 100,452</b>
	<b>OTHER INCOME/EXPENSE</b>		
419	Interest and Dividend Income	\$ 51	\$ 75
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	<b>TOTAL OTHER INCOME/EXP</b>	<b>\$ 51</b>	<b>\$ 75</b>
	<b>NET INCOME/(LOSS)</b>	<b>\$ (13,586)</b>	<b>\$ (8,859)</b>

**COMPANY NAME** TIERRA BUENA WATER COMPANY, INC.

**SUPPLEMENTAL FINANCIAL DATA**

**Long-Term Debt**

	<b>LOAN #1</b>	<b>LOAN #2</b>	<b>LOAN #3</b>	<b>LOAN #4</b>
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End \$ 5,878

Meter Deposits Refunded During the Test Year \$ 1,168

<b>COMPANY NAME</b>	<b>TIERRA BUENA WATER COMPANY, INC.</b>
<b>Name of System</b>	<b>07-073</b>
	<b>ADEQ Public Water System Number (if applicable)</b>

### **WATER COMPANY PLANT DESCRIPTION**

#### **WELLS**

<b>ADWR ID Number*</b>	<b>Pump Horsepower</b>	<b>Pump Yield (gpm)</b>	<b>Casing Depth (Feet)</b>	<b>Casing Diameter (Inches)</b>	<b>Meter Size (inches)</b>	<b>Year Drilled</b>
55-564891	15	165	680	12"	4"	1998
55-801249	10	50	450	8"	1 1/2"	1965

\* Arizona Department of Water Resources Identification Number

#### **OTHER WATER SOURCES**

<b>Name or Description</b>	<b>Capacity (gpm)</b>	<b>Gallons Purchased or Obtained (in thousands)</b>
Inter Connection w/VUWCO	200	3,000

<b>BOOSTER PUMPS</b>		<b>FIRE HYDRANTS</b>	
<b>Horsepower</b>	<b>Quantity</b>	<b>Quantity Standard</b>	<b>Quantity Other</b>
15	2		

<b>STORAGE TANKS</b>		<b>PRESSURE TANKS</b>	
<b>Capacity</b>	<b>Quantity</b>	<b>Capacity</b>	<b>Quantity</b>
100,000	1	5,000	2

*Note: If you are filing for more than one system, please provide separate sheets for each system.*

<b>COMPANY NAME</b>	<b>TIERRA BUENA WATER COMPANY, INC.</b>	
<b>Name of System</b>	<b>07-073</b>	<b>ADEQ Public Water System Number (if applicable)</b>

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6	DIP/ACP	12,000
8		
10		
12		

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	
3/4	
1	126
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category for each system.

**TREATMENT EQUIPMENT:**

Liquid chlorinator, 100 gal. with pulse feed PD pump

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**STRUCTURES:**

N/A

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**OTHER:**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

*Note: If you are filing for more than one system, please provide separate sheets for each system.*

COMPANY NAME: TIERRA BUENA WATER COMPANY, INC.	
Name of System 07-073	ADEQ Public Water System Number (if applicable)

### WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2006

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	126	2,470	1,983	
FEBRUARY	126	2,155	2,009	
MARCH	126	2,104	1,996	
APRIL	126	2,976	2,642	
MAY	126	3,481	3,149	
JUNE	126	4,006	3,835	
JULY	126	4,686	4,019	
AUGUST	126	3,711	3,981	
SEPTEMBER	126	3,205	3,168	
OCTOBER	126	3,507	3,171	
NOVEMBER	126	2,785	2,956	
DECEMBER	126	2,051	2,239	
TOTALS →		<u>37,137</u>	35,148	

What is the level of arsenic for each well on your system? POE2 - .0083 mg/l  
*(If more than one well, please list each separately.)* POE1 - .021

If system has fire hydrants, what is the fire flow requirement? 1000 GPM for 2 hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?  
☒ (X) Yes                      ☐ ( ) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?  
☒ (X) Yes                      ☐ ( ) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?  
☐ ( ) Yes                      ☒ (X) No

If yes, provide the GPCPD amount: \_\_\_\_\_

*Note: If you are filing for more than one system, please provide separate data sheets for each system.*

COMPANY NAME TIERRA BUENA WATER COMPANY, INC. YEAR ENDING 12/31/2006

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2006 was: \$ 506

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**VERIFICATION  
AND  
SWORN STATEMENT**  
Taxes

**VERIFICATION**

**STATE OF ARIZONA  
I, THE UNDERSIGNED  
OF THE**

COUNTY OF (COUNTY NAME)	<b>MARICOPA</b>
NAME (OWNER OR OFFICIAL) TITLE	<b>ROBERT L. PRINCE, PRESIDENT</b>
COMPANY NAME	<b>TIERRA BUENA WATER COMPANY, INC.</b>

**DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**


MONTH	DAY	YEAR
12	31	2006

**HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.**

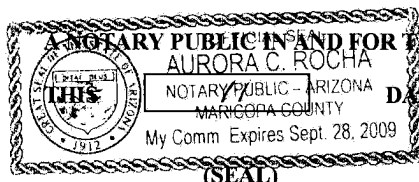
**SWORN STATEMENT**

**I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.**

**I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.**

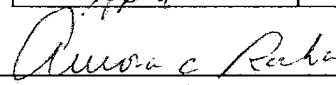
  
\_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL  
  
623-935-1100  
\_\_\_\_\_  
TELEPHONE NUMBER

**SUBSCRIBED AND SWORN TO BEFORE ME**



**AND FOR THE COUNTY OF**  
**DAY OF**

COUNTY NAME	<b>Maricopa</b>
MONTH	<b>April</b>
	<b>2007</b>

  
\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC

**MY COMMISSION EXPIRES** 9-28-2009

COMPANY NAME TIERRA BUENA WATER COMPANY, INC. YEAR ENDING 12/31/2006

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported 3  
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported (59)  
Estimated or Actual State Tax Liability 45

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances N/A  
Amount of Gross-Up Tax Collected N/A  
Total Grossed-Up Contributions/Advances N/A

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

  
SIGNATURE

4-11-07  
DATE

Robert L. Pince  
PRINTED NAME

President  
TITLE



**VERIFICATION  
AND  
SWORN STATEMENT**  
Intrastate Revenues Only

**VERIFICATION**

**STATE OF ARIZONA**

**I, THE UNDERSIGNED**

**OF THE**

COUNTY OF (COUNTY NAME)
<b>MARICOPA</b>
NAME (OWNER OR OFFICIAL) TITLE
<b>ROBERT L. PRINCE, PRESIDENT</b>
COMPANY NAME
<b>TIERRA BUENA WATER COMPANY, INC.</b>

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2006

**HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.**

**SWORN STATEMENT**

**IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2006 WAS:**

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 97,482

**(THE AMOUNT IN BOX ABOVE**

**INCLUDES \$ 5,964**

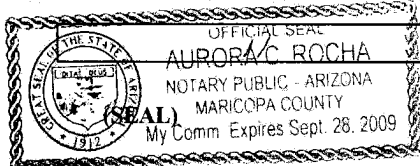
**IN SALES TAXES BILLED, OR COLLECTED)**

**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

**SUBSCRIBED AND SWORN TO BEFORE ME**

**A NOTARY PUBLIC IN AND FOR THE COUNTY OF**

**THIS**



**DAY OF**

COUNTY NAME		
<u>Maricopa</u>		
MONTH	<u>Apr. 1</u>	<u>.20 07</u>

Aurora C. Rocha  
SIGNATURE OF NOTARY PUBLIC

**MY COMMISSION EXPIRES 9.28.2009**

**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE**

**Intrastate Revenues Only**

**VERIFICATION**

**STATE OF ARIZONA**

**I, THE UNDERSIGNED**

**OF THE**

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2006 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

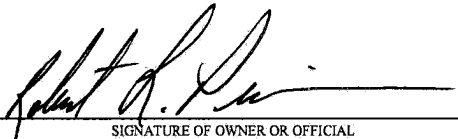
\$ 97,482

THE AMOUNT IN BOX AT LEFT

INCLUDES \$ 5,964

IN SALES TAXES BILLED, OR COLLECTED)

**\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.**

  
SIGNATURE OF OWNER OR OFFICIAL

623-935-1100

TELEPHONE NUMBER

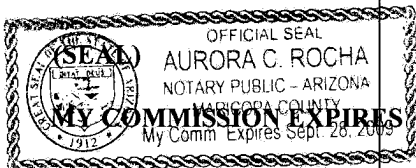
**SUBSCRIBED AND SWORN TO BEFORE ME**

**A NOTARY PUBLIC IN AND FOR THE COUNTY OF**

**THIS**

11

**DAY OF**



NOTARY PUBLIC NAME

Aurora C. Rocha

COUNTY NAME

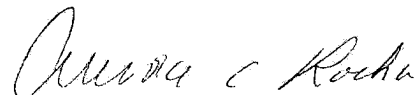
Maricopa

MONTH

April

2007

X



SIGNATURE OF NOTARY PUBLIC